

HOUSING AUTHORITY OF VERNON PARISH**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL DATA****TWELVE MONTHS ENDED SEPTEMBER 30, 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3/24/10

Mike Estes, P.C.
A Professional Accounting Corporation

TABLE OF CONTENTS

	<u>EXHIBIT</u>	<u>PAGE</u>
Independent Auditor's Report		1 – 2
Management's Discussion and Analysis		3 – 9
Basic Financial Statements		
Balance Sheet	A	10
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B	11
Statement of Cash Flows	C	12 – 13
Notes to the Basic Financial Statements		14 – 22
Index		14
Notes to Financial Statements		15 – 22
 <i><u>Other Reports Required by Governmental Auditing Standards</u></i>		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		23 – 24
Schedule of Findings and Questioned Costs		25 – 26
Summary Schedule of Prior Audit Findings		27
 <i><u>Supplementary Information</u></i>		
Statement of Modernization Costs – Uncompleted	E(1)	28
Schedule of Expenditures of Federal Awards		29
Notes to the Schedule of Expenditures of Federal Awards		30
Financial Data Schedule		31 – 36

MIKE ESTES, P.C.
A PROFESSIONAL ACCOUNTING CORPORATION
4200 AIRPORT FREEWAY – SUITE 100
FORT WORTH, TEXAS 76117

(817) 831-3553
METRO (817) 654-4063
(817) 831-3560
e-mail: mestespc@swbell.net

MEMBER OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

MIKE ESTES, CPA

Independent Auditor's Report

Board of Commissioners
Housing Authority of Vernon Parish
Vernon Parish, Louisiana

We have audited the accompanying financial statements of each major fund of the Housing Authority of Vernon Parish, Louisiana as of and for the year ended September 30, 2009, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of Vernon Parish, Louisiana's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Housing Authority of Vernon Parish, Louisiana, as of September 30, 2009, and the respective changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2010, on our consideration of the Housing Authority of Vernon Parish, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of Vernon Parish, Louisiana's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of the Housing Authority of Vernon Parish, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The accompanying Financial Data Schedules required by HUD and other accompanying information identified in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mike Estes, P.C.

Fort Worth, Texas
March 8, 2010

HOUSING AUTHORITY OF VERNON PARISH, LA
REQUIRED SUPPLEMENTAL INFORMATION
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
SEPTEMBER 30, 2009

The management of Public Housing Authority of Vernon Parish, Louisiana presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending September 30, 2009. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.

FINANCIAL HIGHLIGHTS

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$2,495,106 at the close of the fiscal year ended 2009.
 - ✓ Of this amount \$2,097,849 represents a restriction equal to the net amount invested in land, building, furnishings, leasehold improvements, equipment, and construction in progress.
 - ✓ Also of this amount, \$29,539 of net assets are restricted for the Housing Choice Voucher program
 - ✓ The remainder of \$367,718 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 53% of the total operating expenses of \$694,164 for the fiscal year 2009, which means the Authority might be able to operate about 6 months using the unrestricted assets alone, which compares favorably with 5.5 months in the prior fiscal year.
- The Housing Authority's total net assets decreased by \$71,924, a 3% change from the prior fiscal year 2008. This decrease is attributable to significant increases in Federal grants for both operations and capital improvements, described in more detail below.
- The decrease in net assets was accompanied by an increase in cash and cash equivalents of \$20,997. Rental, other, and federal grants exceeded payments to vendors, employees and landlords by \$23,130.
- The Authority spent \$31,490 on capital asset additions.
- These changes led to a decrease in total assets by \$65,769 and an increase in total liabilities by \$6,155. As related measure of financial health, there are still over \$11.53 of current assets covering each dollar of total current and long-term liabilities, which compares favorably with \$11.20 covering the prior fiscal year's liabilities.
- The Housing Authority continues to operate without the need for debt borrowing.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority is a special-purpose government engaged in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements, comprised of two components: (1) fund financial statements and (2) a series of notes to the financial statements. These provide information about the activities of the Housing Authority as a whole and present a longer-term view of the Housing Authority's finances. This report also contains other supplemental information in addition to the basic financial statements themselves demonstrating how projects funded by HUD have been completed, and whether there are inadequacies in the Authority's internal controls.

Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2009?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

All of the funds of the Housing Authority are reported as proprietary funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other enterprises operated by state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Housing Authority's financial statements report its net assets and changes in them. One can think of the Housing Authority's net assets – the difference between assets and liabilities – as one way to measure the Authority's financial health, or financial position. Over time, increases and decreases in the Authority's net assets are one indicator of whether its financial health is improving or deteriorating. One will need to consider other non-financial factors, however, such as the changes in the Authority's occupancy levels or its legal obligations to HUD, to assess the overall health of the Housing Authority.

USING THIS ANNUAL REPORT

The Housing Authority's annual report consists of financial statements that show combined information about the Housing Authority's most significant programs:

- Low Rent Public Housing
- Housing Choice Vouchers
- Public Housing Capital Fund Program

The Housing Authority's auditors provided assurance in their independent auditors' report with which this MD&A is included, that the basic financial statements are fairly stated. The auditors provide varying degrees of assurance regarding the other information included in this report. A user of this report should read the independent auditors' report carefully to determine the level of assurance provided for each of the other parts of this report.

Reporting the Housing Authority's Most Significant Funds

The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes, or to show that it is meeting legal responsibilities for using grants and other money.

The Housing Authority's enterprise funds use the following accounting approach for Proprietary funds: All of the Housing Authority's services are reported in enterprise funds. The focus of proprietary funds is on income measurement, which, together with the maintenance of net assets, is an important financial indicator.

Housing Authority of Vernon Parish, LA
 Management's Discussion and Analysis (MD&A)
 June 30, 2009

FINANCIAL ANALYSIS

The Housing Authority's net assets were \$2,495,106 as of September 30, 2009. Of this amount, \$2,097,849 was invested in capital assets, and the remaining \$367,718 was unrestricted. There was \$29,539 in specific assets restricted for Housing Choice Voucher program.

CONDENSED FINANCIAL STATEMENTS

**Condensed Balance Sheet
 As of September 30, 2009**

	<u>2009</u>	<u>2008</u>
ASSETS		
Current assets	\$ 434,971	\$ 353,579
Capital assets, net of depreciation	<u>2,097,850</u>	<u>2,245,011</u>
Total assets	<u>2,532,821</u>	<u>2,598,590</u>
LIABILITIES		
Current liabilities	23,850	18,762
Non-current liabilities	<u>13,865</u>	<u>12,797</u>
Total liabilities	<u>37,715</u>	<u>31,559</u>
NET ASSETS		
Invested in capital assets, net of depreciation	2,097,849	2,245,011
Net assets restricted for the Housing Choice Voucher program	29,539	21,127
Unrestricted net assets	<u>367,718</u>	<u>300,893</u>
Total net assets	<u>2,495,106</u>	<u>2,567,031</u>
Total liabilities and net assets	<u>2,532,821</u>	<u>2,598,590</u>

Housing Authority of Vernon Parish, LA
Management's Discussion and Analysis (MD&A)
June 30, 2009

CONDENSED FINANCIAL STATEMENTS (Continued)

The net assets of these funds decreased by \$71,925, or by 3%, from those of fiscal year 2008, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

Condensed Statement of Revenues, Expenses, and Changes in Fund Net Assets
Fiscal Year Ended September 30, 2009

	2009	2008
OPERATING REVENUES		
Dwelling rental	\$ 118,342	\$ 112,699
Governmental operating grants	442,617	350,743
Other	31,466	22,291
Total Operating Revenues	592,425	485,733
OPERATING EXPENSES		
Administration	149,322	153,010
Tenant services	0	692
Utilities	19,117	22,131
Ordinary maintenance & operations	143,565	110,145
General expenses	57,567	41,380
Depreciation	175,706	174,540
Housing assistance payments	148,887	153,788
Total Operating Expenses	694,164	655,686
Income (loss) from Operations	(101,739)	(169,953)
Non Operating Revenues (Expenses)		
Interest earnings	4,393	6,682
Loss on disposal of assets	(2,946)	0
Total Non-Operating Revenues (Expenses)	1,447	6,682
Income (loss) before contribution	(100,292)	(163,271)
Capital Contribution	28,367	12,599
Change in net assets	(71,925)	(150,672)
Total net assets - beginning	2,567,031	2,717,703
Total net assets - ending	\$ 2,495,106	\$ 2,567,031

EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating, non-operating revenues, and capital grants increased \$117,225, or by 23%, from a combination of larger offsetting factors. Reasons for most of this change are listed below in order of impact from greatest to least:

- Federal revenues from HUD for operations increased by \$91,874, or by 26% from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, and then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant. There was an increase in the number of eligible tenants receiving subsidies, so Housing Assistance Grants increased accordingly, lowering the overall total.
- Federal Capital Funds from HUD increased by \$15,768 from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2006 through 2009, and submitted a new grant during fiscal year 2010.
- Total other operating revenue increased by \$9,175 from that of the prior fiscal year, because the Authority received some waivers of payments in lieu of taxes (PILOT) from its related City taxing authority.
- Total tenant revenue increased by \$5,643, or by 5% from that of the prior fiscal year, and because the amount of rent each tenant pays is based on a sliding scale of their personal income. Some tenants' personal incomes increased, so rent revenue from these tenants increased accordingly, raising the overall total.
- Interest income decreased by \$2,289, or by 36% from that of the prior fiscal year.

Compared with the prior fiscal year, total operating expenses increased \$38,477, or by 6%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below in order of impact from greatest to least:

- Maintenance and repairs increased by \$33,421, or by 30% from that of the prior fiscal year, due to several major factors: Repair staff wages increased by \$5,423, or by 10%, and related employee benefit contributions increased by \$1,700, or by 6%. Also, materials used increased by \$7,687, or by 50%, also contract labor costs increased by \$18,609.
- General Expenses increased by \$16,187, or by 33% from that of the prior fiscal year, primarily because other general expenses increased by \$3,790. Also, insurance premiums increased by \$6,224, or by 21%, since property and casualty insurance premiums increased, and payments in lieu of taxes (PILOT) increased by \$866, or by 10%. PILOT is calculated as a percentage of rent (which increased by 5%) minus utilities (which decreased 14%), and therefore changed proportionately to the changes in each of these.
- Housing Assistance Payments to landlords decreased by \$4,901, or by 3% from that of the prior fiscal year, because there was a decrease in the number of tenants qualifying for subsidy during the year. Consequently, revenues from HUD for these subsidies decreased by \$588.
- Utilities Expense decreased by \$3,015, or by 14% from that of the prior fiscal year, water cost increased by \$48, but electricity cost decreased by \$631 and gas cost increased by \$53. Finally, other utilities expense (such as garbage, sewage, and waste removal) increased by \$2,485.
- Administrative Expenses decreased by \$3,688, or by 2% from that of the prior fiscal year.
- Depreciation expense increased by \$1,165 from that of the prior fiscal year, because there was an increase in capital assets by \$31,490.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2009, the Housing Authority had a total cost of \$4,117,198 invested in a broad range of assets and construction in progress from projects funded in 2006 through 2009, listed below. This amount, not including depreciation, represents increases of \$24,267 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

Capital Assets, Net of Accumulated Depreciation As of September 30, 2009

	<u>2009</u>	<u>2008</u>
Land	\$ 156,735	\$ 156,735
Construction in progress	8,640	-
Buildings	1,858,599	1,980,973
Leasehold improvements	46,349	88,015
Furniture and equipment	<u>27,527</u>	<u>19,288</u>
Total	<u>2,097,850</u>	<u>2,245,011</u>

As of the end of the 2009 fiscal year, the Authority is still in the process of completing HUD grants of \$522,298 obtained during 2006 through 2009 fiscal years. A total remainder of \$306,622 will be received and \$298,840 will be spent for completing these projects during fiscal year 2010.

Debt

Non-current liabilities also include accrued annual vacation and sick leave due to employees. The Housing Authority has not incurred any mortgages, leases, or bond indentures for financing capital assets or operations.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by Federal budget than by local economic conditions. The capital budgets for the 2010 fiscal year have already been submitted to HUD for approval and no major changes are expected.

The Capital fund programs are multiple year budgets and have remained relatively stable. Capital Funds are used for the modernization of public housing properties including administrative fees involved in the modernization.

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Lori Wilson, at Public Housing Authority of Vernon Parish, Louisiana; P.O Box 1247; Vernon Parish, LA 71496.

HOUSING AUTHORITY OF VERNON PARISH
BALANCE SHEET
SEPTEMBER 30, 2009

ASSETS

Current assets	
Cash and cash equivalents	\$ 143,090
Investments	162,641
Accounts receivable net	57,543
Interest receivable	253
Prepaid items and other assets	15,974
Inventory	9,388
Restricted assets – cash and cash equivalents	46,082
	<hr/>
Total Current Assets	434,971
	<hr/>
Capital Assets, net	
Land and other non-depreciated assets	165,375
Other capital assets - net of depreciation	1,932,475
	<hr/>
Total Capital Assets, net	2,097,850
	<hr/>
Total Assets	\$ 2,532,821
	<hr/> <hr/>

LIABILITIES

Current Liabilities	
Accounts payable	\$ 6,545
Deferred revenue	783
Compensated absences payable	5,772
Deposits due others	10,750
	<hr/>
Total Current Liabilities	23,850
	<hr/>
Noncurrent Liabilities	
Compensated absences payable	13,865
	<hr/>
Total Liabilities	37,715
	<hr/>

NET ASSETS

Invested in capital assets, net of related debt	2,097,849
Restricted	29,539
Unrestricted	367,718
	<hr/>
Net Assets	2,495,106
	<hr/>
Total Liabilities and Net Assets	\$ 2,532,821
	<hr/> <hr/>

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF VERNON PARISH
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET ASSETS
YEAR ENDED SEPTEMBER 30, 2009

	Total
OPERATING REVENUES	
Dwelling rental	\$ 118,342
Governmental operating grants	442,617
Other	31,466
Total Operating Revenues	<u>592,425</u>
OPERATING EXPENSES	
Administration	149,322
Utilities	19,117
Ordinary maintenance & operations	143,565
General expenses	57,567
Depreciation	175,706
Housing assistance payments	148,887
Total Operating Expenses	<u>694,164</u>
Income (loss) from Operations	<u>(101,739)</u>
Non Operating Revenues (Expenses)	
Interest earnings	4,393
Loss on disposal of assets	(2,946)
Total Non-Operating Revenues (Expenses)	<u>1,447</u>
Income (loss) before contribution	<u>(100,292)</u>
Capital Contribution	<u>28,367</u>
Change in net assets	<u>(71,925)</u>
Total net assets - beginning	<u>2,567,031</u>
Total net assets - ending	<u><u>\$ 2,495,106</u></u>

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF VERNON PARISH
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2009

CASH FLOWS FROM	
OPERATING ACTIVITIES	
Rental receipts	\$ 117,435
Other receipts	31,335
Federal grants	394,311
Payments to vendors	(159,459)
Payments to employees – net	(211,605)
Payments to private landlords	(148,887)
	<hr/>
Net cash provided (used) by operating activities	23,130
	<hr/>
CASH FLOWS FROM CAPITAL AND	
RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(31,489)
Federal Capital Grants	28,367
	<hr/>
Net cash provided (used) by capital and related financing activities	(3,122)
	<hr/>
CASH FLOWS FROM INVESTING	
ACTIVITIES	
Interest income	4,594
Purchase of investments	(3,605)
	<hr/>
Net cash provided (used) by investing activities	989
	<hr/>
NET INCREASE (DECREASE) IN	
CASH AND CASH EQUIVALENTS	20,997
CASH AND CASH EQUIVALENTS	
Beginning of Fiscal Year	168,175
	<hr/>
CASH AND CASH EQUIVALENTS	
End of Fiscal Year	\$ 189,172
	<hr/>

Continued

HOUSING AUTHORITY OF VERNON PARISH
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2009

**RECONCILIATION OF OPERATING
INCOME (LOSS) TO NET CASH
PROVIDED (USED) BY OPERATING
ACTIVITIES**

Operating income (loss)	\$ (101,739)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation Expense	175,706
Change in assets and liabilities:	
Receivables	522
Inventories	(1,052)
Prepaid items	(981)
Account payables	(48,874)
Accrued expenses	(1,052)
Deposits due others	600
Net cash provided (used) by operations	<u>\$ 23,130</u>

Concluded

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF VERNON PARISH
NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2009

INDEX

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	15
A. REPORTING ENTITY	15
B. FUNDS.....	16
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING	16
D. CASH AND CASH EQUIVALENTS	17
E. INVESTMENTS	17
F. INVENTORY.....	17
G. PREPAID ITEMS	17
H. CAPITAL ASSETS.....	18
I. DEFERRED REVENUES	18
J. COMPENSATED ABSENCES	18
K. RESTRICTED NET ASSETS	18
L. USE OF ESTIMATES	19
NOTE 2 – DEPOSITS AND INVESTMENTS	19
NOTE 3 – ACCOUNTS RECEIVABLE.....	19
NOTE 4 – CAPITAL ASSETS	20
NOTE 5 – ACCOUNTS PAYABLE	20
NOTE 6 – COMPENSATED ABSENCES	21
NOTE 7 – LONG – TERM OBLIGATIONS	21
NOTE 8 – RETIREMENT SYSTEM	21
NOTE 9 – COMMITMENTS AND CONTINGENCIES.....	22
NOTE 10 – ECONOMIC DEPENDENCE.....	22

HOUSING AUTHORITY OF VERNON PARISH
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority of Vernon Parish have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY Housing Authorities are chartered as public corporations under the laws (LSA – R.S. 40.391) of the state of Louisiana for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of Vernon Parish, serve staggered multi-year terms.

The Housing Authority has the following units:

PHA Owned Housing	FW 2027	66
Section 8		
Housing Choice Vouchers	LA-128 VO	66

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt with HUD approval.

The Housing Authority is a related organization of the Parish of Vernon Parish since the Parish of Vernon Parish appoints a voting majority of the Housing Authority's governing board. The Parish of Vernon Parish is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the Parish of Vernon Parish. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Parish of Vernon Parish.

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

HOUSING AUTHORITY OF VERNON PARISH
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

- 1) Appointing a voting majority of an organization's governing body, and:
 - a) The ability of the government to impose its will on that organization and/or
 - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
- 2) Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government.
- 3) Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that there are no component units that should be considered as part of the Housing Authority reporting entity.

B. FUNDS The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The transactions of the Housing Authority are reported in a proprietary enterprise fund. The general fund accounts for the transactions of the public housing Low Rent program and the Capital Fund program. The housing choice voucher fund accounts for the Section 8 Housing Choice Voucher program.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

PROPRIETARY FUNDS Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Housing Authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. According to the Authority's policy, governmental operating grants are considered operating revenues. The other principal operating revenues of the Housing Authority are rent and maintenance charges to residents and operating fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to landlords. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

HOUSING AUTHORITY OF VERNON PARISH
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits, of less than ninety days, and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

E. INVESTMENTS Investments are limited to L.S.-R.S. 33:2955 and the Housing Authority investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at quoted market prices except for the following which are required/permitted as per GASB Statement No. 31:

Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

The Housing Authority reported at amortized cost money market investments participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

F. INVENTORY All purchased inventory items are valued at cost using the first-in, first-out method. Inventory is recorded using the purchase method. At year end, the amount of inventory is recorded for external financial reporting.

G. PREPAID ITEMS Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

HOUSING AUTHORITY OF VERNON PARISH
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

H. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$250. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful live is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	33 years
Building improvements	15 years
Furniture and equipment	5-7 years
Computers	3 years

I. DEFERRED REVENUES The Housing Authority reports deferred revenues on its balance sheet. Deferred revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

J. COMPENSATED ABSENCES The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

K. RESTRICTED NET ASSETS Net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

L. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

HOUSING AUTHORITY OF VERNON PARISH
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

NOTE 2 – DEPOSITS AND INVESTMENTS The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at September 30, 2009. Deposits are stated at cost, which approximates fair value.

Interest Rate Risk: The Housing Authority's policy does not address interest rate risk.

Credit Rate Risk: GASB 40 disclosure of credit rate risk does not apply, since the Authority's only investments are certificates of deposit.

Custodial Credit Risk: The Authority's policy requires the financial institution to cover the first \$250,000 of deposits with FDIC coverage. Any excess deposits must be collateralized with securities held by the pledging financial institution, with a fair market value that equals or exceeds the amount of excess deposits.

Restricted Cash: \$29,670 is reserved for HAP equity. \$5,662 is reserved for the amount due HUD for the DHAP settlement. \$10,750 was reserved for security deposits.

At September 30, 2009, the Housing Authority's carrying amount of deposits was \$351,653 and the bank balance was \$373,475, which includes \$162,641 in certificates of deposits classified as investments. Of the bank balance, \$123,475 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the Housing Authority's name.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon demand. Investments during the year were solely in time deposits at banks.

NOTE 3 – ACCOUNTS RECEIVABLE The receivables at September 30, 2009, are as follows:

<u>Class of Receivables</u>	<u>Total</u>
Local sources:	
Tenants	\$ 730
Other	731
Federal sources:	
Grants	56,082
Total	<u>\$ 57,543</u>

HOUSING AUTHORITY OF VERNON PARISH
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

NOTE 4 – CAPITAL ASSETS The changes in capital assets are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable assets				
Land and buildings	\$ 156,735	\$ 0	\$ 0	\$ 156,735
Construction in progress	8,640	0	0	8,640
Depreciable assets:				
Exhaustible capital assets				
Buildings	3,824,030	0	0	3,824,030
Furniture and equipment	103,526	31,490	7,223	127,793
Total	4,092,931	31,490	7,223	4,117,198
Less: accumulated depreciation				
Buildings	1,753,636	163,765	0	1,917,401
Furniture and equipment	94,284	11,941	4,278	101,947
Total	1,847,920	175,706	4,278	2,019,348
Capital assets, net	\$ 2,245,011	\$ (144,216)	\$ 2,945	\$ 2,097,850

NOTE 5 – ACCOUNTS PAYABLE The payables at September 30, 2009 are as follows:

	Total
Vendors	\$ 863
Payroll taxes & Retirement withheld	20
Federal sources:	
Grants	5,662
Total	\$ 6,545

HOUSING AUTHORITY OF VERNON PARISH
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

NOTE 6 – COMPENSATED ABSENCES At September 30, 2009, employees of the Housing Authority have accumulated and vested \$19,637 of employee leave computed in accordance with GASB, Codification Section C60.

NOTE 7 – LONG – TERM OBLIGATIONS The following is a summary of the long – term obligation transactions for the year ended September 30, 2009.

	Compensated Absences
Balance, beginning	\$ 18,385
Additions	8,275
Deductions	(7,023)
Balance, ending	<u>19,637</u>
Amounts due in one year	<u>\$ 5,772</u>

NOTE 8 – RETIREMENT SYSTEM The Housing Authority participates in the Louisiana Housing Council Group Retirement Plan, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees are eligible to participate in the plan on the first day of the month after completing one month of continuous employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each participant in the plan is required to make a monthly contribution equal to 5% of his effective compensation, and may make additional contributions. The employer is required to make monthly contributions equal to 7% of each participant's effective compensation.

The Housing Authority's contribution for each employee and income allocated to the employee's account is fully vested after five years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority.

The Housing Authority has the right to establish or amend retirement plan provisions. The Housing Authority's Joinder Agreement with the Louisiana Housing Council Group Retirement Plan may be amended or modified by Board Resolution. Amendment of the Joinder Agreement is limited to provisions affecting plan specifications.

The Housing Authority made the required contributions of \$12,833 for the year ended September 30, 2009, of which \$7,486 was paid by the Housing Authority and \$5,347 was paid by employees. No payments were made out of the forfeiture account.

HOUSING AUTHORITY OF VERNON PARISH
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Litigation The Housing Authority is not presently involved in litigation.

Grant Disallowances The Housing Authority participates in a number of federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Housing Authority management believes that the amount of disallowance, if any, which may arise from future audits will not be material.

Construction Projects There are certain renovation or construction projects in progress at September 30, 2009. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

Risk Management The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance.

The Housing Authority transfers risk of loss by participating in a public entity risk pool and contracting with a commercial insurance carrier for all major categories of exposed risk.

This includes coverage of property, general liability, public liability, auto, bond, and worker's compensation. The risk pool and insurance contracted are obligated to meet settlements up to the maximum coverage, after the PHA's premiums and deductions are met.

Louisiana State law prohibits one governmental entity assessing another entity. If the Louisiana Housing Council Group Self Insured Fund (LHC) risk pool is unable to meet its obligations, the risk to the Housing Authority is only that it's own claim would be unpaid.

Coverage has not significantly changed from the previous year and settlements for each of the past three years have not exceeded insurance coverage.

Commitments On September 10, 2002, the Authority entered into an Employment Agreement with the Executive Director. The agreement was for five years. On March 11, 2007, the agreement was renewed for an additional five years. The agreement may be terminated by the Executive Director upon ninety days written notice to the Authority.

The Agreement may be terminated by the Authority at any time for cause. If the Executive Director is terminated, the Authority is still obligated to pay the Executive Director for all unused but earned annual leave, in accordance with personnel policy.

NOTE 10 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$470,984 to the Housing Authority, which represents approximately 75% of the Housing Authority's total revenue and capital contributions for the year.

MIKE ESTES, P.C.
A PROFESSIONAL ACCOUNTING CORPORATION
4200 AIRPORT FREEWAY – SUITE 100
FORT WORTH, TEXAS 76117

MEMBER OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

MIKE ESTES, CPA

(817) 831-3553
METRO (817) 654-4063
(817) 831-3560
e-mail: mestespc@swbell.net

Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

Housing Authority of Vernon Parish
Vernon Parish, Louisiana

We have audited the financial statements of each major fund of the Housing Authority of Vernon Parish, Louisiana, as of and for the year ended September 30, 2009, which collectively comprise the Housing Authority of Vernon Parish, Louisiana's basic financial statements and have issued our report thereon dated March 8, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of Vernon Parish, Louisiana's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of Vernon Parish, Louisiana's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of Vernon Parish, Louisiana's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Housing Authority of Vernon Parish, Louisiana's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Housing Authority of Vernon Parish, Louisiana's financial statements that is more than inconsequential will not be prevented or detected by the Vernon Parish, Louisiana's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Housing Authority of Vernon Parish, Louisiana's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of Vernon Parish, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Commissioners, the Louisiana Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mike Estes, P.C.

Fort Worth, Texas
March 8, 2010

HOUSING AUTHORITY OF VERNON PARISH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2009

Section I – Summary of the Auditor’s Results

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were no significant deficiencies required to be disclosed by *Government Auditing Standards* issued by the Comptroller General of the United States.
- iii. There were no instances of noncompliance considered material, as defined by the *Government Auditing Standards* to the financial statements.

HOUSING AUTHORITY OF VERNON PARISH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2009

**Section II – Findings related to the financial statements which are required to be reported
in accordance with Governmental Auditing Standards generally accepted in
the United States of America:**

None

HOUSING AUTHORITY OF VERNON PARISH
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED SEPTEMBER 30, 2009

The following prior audit finding was a significant deficiency, required to be reported, in the prior year in accordance with *Governmental Auditing Standards* generally accepted in the United States of America:

None

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF VERNON PARISH
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED

YEAR ENDED SEPTEMBER 30, 2009

CASH BASIS

	2006	2007	2008	ARRA
	Capital Fund	Capital Fund	Capital Fund	2009 Capital Fund
Funds approved	\$ 121,598	\$ 118,150	\$ 124,702	\$ 157,848
Funds expended	<u>121,598</u>	<u>71,634</u>	<u>26,866</u>	<u>3,360</u>
Excess of funds approved	<u>\$ 0</u>	<u>\$ 46,516</u>	<u>\$ 97,836</u>	<u>\$ 154,488</u>
Funds advanced	\$ 121,598	\$ 63,852	\$ 26,866	\$ 3,360
Funds expended	<u>121,598</u>	<u>71,634</u>	<u>26,866</u>	<u>3,360</u>
Excess (deficiency) of funds advanced	<u>\$ 0</u>	<u>\$ (7,782)</u>	<u>\$ 0</u>	<u>\$ 0</u>

See accountants' report

HOUSING AUTHORITY OF VERNON PARISH
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2009

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
	<u> </u>	<u> </u>
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 258,832
Housing Choice Voucher	14.871	183,785
Public Housing Capital Fund	14.872	<u>28,367</u>
Total United States Department of Housing and Urban Development		\$ 470,984
Total Expenditures of Federal Awards		<u><u>470,984</u></u>

HOUSING AUTHORITY OF VERNON PARISH
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2009

NOTE 1 – GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority of Vernon Parish, Louisiana (the “Housing Authority”). The Housing Authority reporting entity is defined in note 1(A) to the Housing Authority’s basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

NOTE 2 – BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in note 1(C) to the Housing Authority’s basic financial statements.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Housing Authority’s basic financial statements as follows:

		Federal Sources
General	\$	470,984
Total	\$	470,984

NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

HOUSING AUTHORITY OF VERNON PARISH
FINANCIAL DATA SCHEDULE

YEAR ENDED SEPTEMBER 30, 2009

	Project Total	14.871	14.885	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	127855	15235			143090		143090
112 Cash - Restricted - Modernization and Development							
113 Cash - Other Restricted		35332			35332		35332
114 Cash - Tenant Security Deposits	10750				10750		10750
115 Cash - Restricted for Payment of Current Liabilities							
100 Total Cash	138605	50567	0		189172		189172
121 Accounts Receivable - PHA Projects							
122 Accounts Receivable - HUD Other Projects	56082				56082		56082
124 Accounts Receivable - Other Government							
125 Accounts Receivable - Miscellaneous	731				731		731
126 Accounts Receivable - Tenants	730	0			730		730
126.1 Allowance for Doubtful Accounts - Tenants	0	0			0		0
126.2 Allowance for Doubtful Accounts - Other	0	0			0		0
127 Notes, Loans, & Mortgages Receivable - Current							
128 Fraud Recovery							
128.1 Allowance for Doubtful Accounts - Fraud							
129 Accrued Interest Receivable	253				253		253
120 Total Receivables, Net of Allowances for Doubtful Accounts	57796	0	0		57796		57796
131 Investments - Unrestricted	162641				162641		162641
132 Investments - Restricted							
135 Investments - Restricted for Payment of Current Liability							
142 Prepaid Expenses and Other Assets	15974				15974		15974
143 Inventories	9388				9388		9388
143.1 Allowance for Obsolete Inventories	0	0			0		0
144 Inter Program Due From							
145 Assets Held for Sale							
150 Total Current Assets	384404	50567	0		434971		434971
161 Land	156735				156735		156735
162 Buildings	3148872				3148872		3148872
163 Furniture, Equipment & Machinery - Dwellings	45030				45030		45030
164 Furniture, Equipment & Machinery - Administration	82763				82763		82763
165 Leasehold Improvements	675158				675158		675158
166 Accumulated Depreciation	(2019348)				(2019348)		(2019348)
167 Construction in Progress	8640				8640		8640
168 Infrastructure							
160 Total Capital Assets, Net of Accumulated Depreciation	2097850	0	0		2097850		2097850
171 Notes, Loans and Mortgages Receivable - Non-Current							
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due							
173 Grants Receivable - Non Current							
174 Other Assets							
176 Investments in Joint Ventures							
190 Total Non-Current Assets	2097850	0	0		2097850		2097850
190 Total Assets	2482254	50567	0		2532821		2532821

HOUSING AUTHORITY OF VERNON PARISH
FINANCIAL DATA SCHEDULE

YEAR ENDED SEPTEMBER 30, 2009

	Project Total	14,871	14,885	COCC	Subtotal	ELIM	Total
311 Bank Overdraft							
312 Accounts Payable <= 90 Days	863				863		863
313 Accounts Payable >90 Days Past Due							
321 Accrued Wage/Payroll Taxes Payable		20			20		20
322 Accrued Compensated Absences - Current Portion	5312	460			5772		5772
324 Accrued Contingency Liability							
325 Accrued Interest Payable							
331 Accounts Payable - HUD PHA Programs		5662			5662		5662
332 Account Payable - PHA Projects							
333 Accounts Payable - Other Government							
341 Tenant Security Deposits	10750				10750		10750
342 Deferred Revenues	783				783		783
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds							
344 Current Portion of Long-term Debt - Operating Borrowings							
345 Other Current Liabilities							
346 Accrued Liabilities - Other							
347 Inter Program - Due To							
348 Loan Liability - Current							
310 Total Current Liabilities	17708	6142	0		23850		23850
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue							
352 Long-term Debt, Net of Current - Operating Borrowings							
353 Non-current Liabilities - Other							
354 Accrued Compensated Absences - Non Current	12862	1003			13865		13865
355 Loan Liability - Non Current							
356 FASB 5 Liabilities							
357 Accrued Pension and OPEB Liabilities							
350 Total Non-Current Liabilities	12862	1003	0		13865		13865
300 Total Liabilities	30570	7145	0		37715		37715
508.1 Invested in Capital Assets, Net of Related Debt	2097850				2097850		2097850
508.2 Fund Balance Reserved							
511.2 Unreserved, Designated Fund Balance							
511.1 Restricted Net Assets		29539			29539		29539
512.1 Unrestricted Net Assets	353834	13883	0		367717		367717
512.2 Unreserved, Undesignated Fund Balance							
513 Total Equity/Net Assets	2451684	43422	0		2495106		2495106
600 Total Liabilities and Equity/Net Assets	2482254	50567	0		2532821		2532821

HOUSING AUTHORITY OF VERNON PARISH
FINANCIAL DATA SCHEDULE

YEAR ENDED SEPTEMBER 30, 2009

	Project Total	14.871	14.885	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	118342				118342		118342
70400 Tenant Revenue - Other	11725				11725		11725
70500 Total Tenant Revenue	130067	0	0		130067		130067
70600 HUD PHA Operating Grants	257232	183785	1600		442617		442617
70610 Capital Grants	26607		1760		28367		28367
70710 Management Fee							
70720 Asset Management Fee							
70730 Book Keeping Fee							
70740 Front Line Service Fee							
70750 Other Fees							
70700 Total Fee Revenue							
70800 Other Government Grants							
71100 Investment Income - Unrestricted	4262	0			4262		4262
71200 Mortgage Interest Income							
71300 Proceeds from Disposition of Assets Held for Sale							
71310 Cost of Sale of Assets							
71400 Fraud Recovery							
71500 Other Revenue	17924	1817			19741		19741
71600 Gain or Loss on Sale of Capital Assets	(2946)				(2946)		(2946)
72000 Investment Income - Restricted		131			131		131
70000 Total Revenue	433146	185733	3360		622239		622239
91100 Administrative Salaries	65779	8163			73942		73942
91200 Auditing Fees	7470	1870			9340		9340
91300 Management Fee							
91310 Book-keeping Fee							
91400 Advertising and Marketing	72				72		72
91500 Employee Benefit contributions - Administrative	34300	1882			36182		36182
91600 Office Expenses	17243	4621			21864		21864
91700 Legal Expense	3600				3600		3600
91800 Travel	290				290		290
91810 Allocated Overhead							
91900 Other	4032				4032		4032
91000 Total Operating - Administrative	132788	16536	0		149322		149322
92000 Asset Management Fee							
92100 Tenant Services - Salaries							
92200 Relocation Costs							
92300 Employee Benefit Contributions - Tenant Services							
92400 Tenant Services - Other							
92500 Total Tenant Services	0	0	0		0		0
93100 Water	760				760		760
93200 Electricity	5713				5713		5713
93300 Gas	687				687		687
93400 Fuel							
93500 Labor							
93600 Sewer	11957				11957		11957
93700 Employee Benefit Contributions - Utilities							
93800 Other Utilities Expense							
93000 Total Utilities	19117	0	0		19117		19117
94100 Ordinary Maintenance and Operations - Labor	61830				61830		61830
94200 Ordinary Maintenance and Operations - Materials and Other	21471		1600		23071		23071
94300 Ordinary Maintenance and Operations Contracts	27880		0		27880		27880
94500 Employee Benefit Contributions - Ordinary Maintenance	30784				30784		30784
94000 Total Maintenance	141965	0	1600		143565		143565
95100 Protective Services - Labor							
95200 Protective Services - Other Contract Costs							
95300 Protective Services - Other							
95500 Employee Benefit Contributions - Protective Services							
95000 Total Protective Services	0	0	0		0		0
96110 Property Insurance	19905				19905		19905
96120 Liability Insurance	6229				6229		6229
96130 Workmen's Compensation	5958	243			6201		6201
96140 All Other Insurance	3790				3790		3790
96100 Total Insurance Premiums	35882	243	0		36125		36125

HOUSING AUTHORITY OF VERNON PARISH
FINANCIAL DATA SCHEDULE

YEAR ENDED SEPTEMBER 30, 2009

	Project Total	14,871	14,885	COC	Subtotal	ELIM	Total
96200 Other General Expenses							
96210 Compensated Absences	10091				10091		10091
96300 Payments in Lieu of Taxes	9923				9923		9923
96400 Bad debt - Tenant Rents	1428				1428		1428
96500 Bad debt - Mortgages							
96600 Bad debt - Other							
96800 Severance Expense							
96000 Total Other General Expenses	21442	0	0		21442		21442
96710 Interest of Mortgage (or Bonds) Payable							
96720 Interest on Notes Payable (Short and Long Term)							
96730 Amortization of Bond Issue Costs							
96700 Total Interest Expense and Amortization Cost	0	0	0		0		0
96900 Total Operating Expenses	351192	16779	1600		369571		369571
97000 Excess of Operating Revenue over Operating Expenses	81954	168954	1760		252668		252668
97100 Extraordinary Maintenance							
97200 Casualty Losses - Non-capitalized							
97300 Housing Assistance Payments		148887			148887		148887
97350 HAP Portability-In							
97400 Depreciation Expense	175706				175706		175706
97500 Fraud Losses							
97600 Capital Outlays - Governmental Funds							
97700 Debt Principal Payment - Governmental Funds							
97800 Dwelling Units Rent Expense							
99000 Total Expenses	526898	165666	1600		694164		694164
10010 Operating Transfer In	19063				19063		19063
10020 Operating transfer Out	(19063)				(19063)		(19063)
10030 Operating Transfers from/to Primary Government							
10040 Operating Transfers from/to Component Unit							
10050 Proceeds from Notes, Loans and Bonds							
10060 Proceeds from Property Sales							
10070 Extraordinary Items, Net Gain/Loss							
10080 Special Items (Net Gain/Loss)							
10091 Inter Project Excess Cash Transfer In							
10092 Inter Project Excess Cash Transfer Out							
10093 Transfers between Program and Project - In							
10094 Transfers between Project and Program - Out							
10100 Total Other financing Sources (Uses)	0	0	0		0		0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(93752)	20067	1760		(71925)		(71925)
11020 Required Annual Debt Principal Payments							
11030 Beginning Equity	2543676	23355	0		2567031		2567031
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	1760	0	(1760)		0		0
11050 Changes in Compensated Absence Balance							
11060 Changes in Contingent Liability Balance							
11070 Changes in Unrecognized Pension Transition Liability							
11080 Changes in Special Term/Severance Benefits Liability							
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents							
11100 Changes in Allowance for Doubtful Accounts - Other							
11170 Administrative Fee Equity		13883			13883		13883
11180 Housing Assistance Payments Equity		29539			29539		29539
11190 Unit Months Available	790	792	0		1582		1582
11210 Number of Unit Months Leased	771	564	0		1335		1335
11270 Excess Cash	314183				314183		314183
11610 Land Purchases	0				0		0
11620 Building Purchases	0				0		0
11630 Furniture & Equipment - Dwelling Purchases	1368				1368		1368
11640 Furniture & Equipment - Administrative Purchases	1754				1754		1754
11650 Leasehold Improvements Purchases	0				0		0
11660 Infrastructure Purchases	0				0		0
13510 CFFP Debt Service Payments	0				0		0
13901 Replacement Housing Factor Funds	0				0		0

HOUSING AUTHORITY OF VERNON PARISH
FINANCIAL DATA SCHEDULE

YEAR ENDED SEPTEMBER 30, 2009

70300 Net Tenant Rental Revenue	118342		118342
70400 Tenant Revenue - Other	11725		11725
70500 Total Tenant Revenue	130067	0	130067
70600 HUD PHA Operating Grants	212791	44441	257232
70610 Capital Grants		26607	26607
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	4262		4262
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue	17924		17924
71600 Gain or Loss on Sale of Capital Assets	(2946)		(2946)
72000 Investment Income - Restricted			
70000 Total Revenue	362098	71048	433146
91100 Administrative Salaries	65779		65779
91200 Auditing Fees	7470		7470
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing	72		72
91500 Employee Benefit contributions - Administrative	34300		34300
91600 Office Expenses	17243		17243
91700 Legal Expense	3600		3600
91800 Travel	290		290
91810 Allocated Overhead			
91900 Other	4032		4032
91000 Total Operating - Administrative	132786	0	132786
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other			
92500 Total Tenant Services	0	0	0
93100 Water	760		760
93200 Electricity	5713		5713
93300 Gas	687		687
93400 Fuel			
93500 Labor			
93600 Sewer	11957		11957
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	19117	0	19117
94100 Ordinary Maintenance and Operations - Labor	55689	6141	61830
94200 Ordinary Maintenance and Operations - Materials and Other	17934	3537	21471
94300 Ordinary Maintenance and Operations Contracts	12180	15700	27880
94500 Employee Benefit Contributions - Ordinary Maintenance	30784		30784
94000 Total Maintenance	116587	25378	141965
95100 Protective Services - Labor			

HOUSING AUTHORITY OF VERNON PARISH
FINANCIAL DATA SCHEDULE

YEAR ENDED SEPTEMBER 30, 2009

	14.850	14.872	Total Project
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	0	0	0
96110 Property Insurance	19905		19905
96120 Liability Insurance	6229		6229
96130 Workmen's Compensation	5958		5958
96140 All Other Insurance	3790		3790
96100 Total Insurance Premiums	35882	0	35882
96200 Other General Expenses			
96210 Compensated Absences	10091		10091
96300 Payments in Lieu of Taxes	9923		9923
96400 Bad debt - Tenant Rents	1428		1428
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	21442	0	21442
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	0	0	0
96900 Total Operating Expenses	325814	25378	351192
97000 Excess of Operating Revenue over Operating Expenses	36284	45670	81954
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	163918	11788	175706
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	489732	37166	526898
10010 Operating Transfer In	19063		19063
10020 Operating transfer Out		(19063)	(19063)
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10060 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	19063	(19063)	0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(108571)	14819	(93752)
11020 Required Annual Debt Principal Payments			
11030 Beginning Equity	2543676	0	2543676
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	1750		1750
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	790		790
11210 Number of Unit Months Leased	771		771
11270 Excess Cash	314183		314183
11610 Land Purchases	0	0	0
11620 Building Purchases	0	0	0
11630 Furniture & Equipment - Dwelling Purchases	1368	0	1368
11640 Furniture & Equipment - Administrative Purchases	1754	0	1754
11650 Leasehold Improvements Purchases	0	0	0
11660 Infrastructure Purchases	0	0	0
13510 CFFP Debt Service Payments	0	0	0
13901 Replacement Housing Factor Funds	0	0	0